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STABILITY OPERATIONS: LEARNING FROM OPERATION IRAQI FREEDOM

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ABSTRACT

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U.S. strategy in Iraq after the removal of Saddam Hussein was to promote a democratic style of government and to conduct reconstruction of essential Iraqi infrastructure for the political and economic redevelopment of Iraq. Post-conflict planning and execution failures based on faulty assumptions and the inability to establish a stable and secure environment has led to large-scale insurgent operations in Iraq. This paper examines some of these failures and analyzes the importance of security and its influence on using economic means during the initial stages of post-conflict operations to facilitate reconstruction and economic recovery efforts in order to achieve lasting results.

STABILITY OPERATIONS: LEARNING FROM OPERATION IRAQI FREEDOM

Money is my most important ammunition in this war."

‒MG Petraeus, 101st Airborne Division Air Assault

The role of the U.S. Armed Forces is to fight and win the nation's wars with the primary focus being on warfighting. Although this has and will continue to be the principal role, the military has performed a wide variety of activities outside the warfighting realm. One such role is stability operations. Stability operations are those operations conducted outside the U.S. and its territories to establish, protect, and provide security and control over areas, populations, and resources. These operations involve both coercive and cooperative measures and include actions to establish a safe and secure environment, provide or help facilitate the provision of essential basic services, reconstruct key infrastructure, and provide humanitarian relief in order to enable the transition to legitimate, local civil governance.[1] In the end, the main objective is to set the conditions that will enable a government to provide for its own security, rule of law, basic services, and economic prosperity.[2] Most military stability operations occur after major combat operations in the period known as post-conflict operations.

Past cases of post-conflict stability operations provide valuable lessons in how to effectively plan for and conduct such operations. These lessons serve as profound insights that leaders can apply in the future to improve planning and execution of post-conflict operations. Operation Iraqi Freedom (OIF) continues to evolve as one such example. On 19 March 2003, the United States and its "coalition of the willing"[3] invaded Iraq with the political objectives of removing Saddam Hussein's regime, eliminating any Iraqi weapons of mass destruction, destroying Iraqi capability to develop any such weapons in the future, creating a free, unified, and democratic style of government, and rebuilding Iraq's essential infrastructure. On 1 May 2003, President Bush announced to the American public that major combat operations in Iraq had ended. Although Iraq was now free of its brutal dictator, the more difficult work of securing and reconstructing Iraq and establishing a viable government remained and the coalition was committed to stay until the job was done.[4]

Over time, given the failure of U.S. stabilization efforts to improve sufficiently the quality of life of the Iraqi people, there have been serious doubts about the U.S.'s ability to achieve the remaining political objectives in Iraq. This inability to capitalize on Iraqi goodwill during the crucial timeframe immediately following the fall of Saddam Hussein has not only contributed significantly to the U.S. losing momentum in "winning the hearts and minds" of the Iraqi people, but more importantly has served as a catalyst in triggering the ongoing insurgency in Iraq.

Did the U.S. adequately plan for post-conflict operations after the fall of Saddam? Why did stabilization efforts during the initial months following major combat operations fail to anchor enduring support from the Iraqi people? These two questions are the subject of much debate. Questionable planning and decision making for post-conflict operations, lack of security, inability to provide basic services, such as clean water, electricity, and sewage services, and a failure to "jump start" the ravaged Iraqi economy are all critical factors that have contributed to the continuing problems the U.S. faces in Iraq. Capitalizing on the goodwill of the area's population and quickly demonstrating that life is going to be better now than it was previously, is essential to success in stability operations. Planning for and using economic means early in the post-conflict phase is a critical step in this process. The combination of security and stability operations must work together to create and maintain a stable and secure environment that achieves lasting results. Planning for and executing a well devised and effective reconstruction and economic recovery program during the post-conflict phase can only occur if civil and military planning and operations are successfully linked together from the onset. Many of the ongoing problems in Iraq may not have occurred if the U.S.'s initial planning and execution of civil-military operations were better linked from the beginning.

Conditions in Iraq (May 2003)

In May 2003, as major combat operations effectively ended, military and civilian leaders finally were able to survey the conditions of Iraq's countryside and economic state. Retired Lieutenant General Jay Garner, who President Bush charged to lead the Office of Reconstruction and Humanitarian Assistance (ORHA) in January 2003, commented, "the American people have never come to realize what terrible shape the Iraqi economy was in nor the desperate plight facing the Iraqi people when the coalition assumed control."[5] ORHA was an expeditionary interagency operations office responsible for the initial detailed planning and implementation efforts of distributing humanitarian assistance and rebuilding Iraq.[6] Garner found conditions in Iraq were far worse than expected.[7] Military operations further worsened conditions by inflicting heavy damage on key infrastructure during the previous six weeks of combat operations. The Iraqi people lacked the basic services needed to bring some level of normalcy back into their lives. There was very little electricity and potable water, the transportation and civil communications systems were not operational, the indigenous police and security forces had evaporated into the local populace, and the accumulated garbage on the streets was causing a significant health hazard.[8]

The fractured infrastructure presented its own set of problems, but the evaporating good will of the Iraqi people and the rapidly deteriorating security situation presented even greater problems. Under international law, occupying forces are obligated to provide for the basic needs, to include security of the population under occupation. As U.S. forces entered Baghdad, widespread looting was already rampant. It was occurring in other parts of the country as well, but the looting that occurred in Baghdad was by far the worst. Looters gutted and torched many of the government institutions in the city. They dismantled the electrical grids, rendering power, refrigeration, and water systems inoperable. They robbed and destroyed city markets, hospitals, cultural institutions, and universities.[9]

With the declaration of Iraq's liberation, the man charged with taking on the challenges in Iraq was Ambassador L. Paul Bremer. On 6 May 2003, President Bush appointed Ambassador Bremer as his Envoy to Iraq and the head of the newly created Coalition Provisional Authority (CPA).[10] Bremer would replace Garner as the civilian lead in Iraq. CPA would absorb ORHA and serve as the interim governing body until Iraq became politically stable enough to assume its own sovereignty. Faced with a crippled economy and high levels of unemployment, a dilapidated infrastructure, and increasing violence, military and civilian efforts faced an uphill battle. Bremer's main objectives were to establish a democratic style government, rebuild key infrastructure, and re-establish the Iraqi economy. Increasing violence caused significant delays in providing basic services and the lack of employment opportunities for the general population fueled great resentment among the Iraqi people toward the coalition forces. Once thought of as liberators, the Iraqi people were slowly beginning to refer to coalition forces as occupiers.[11] The situation in Iraq in May 2003 ignited an insurgency among a growing population of disenchanted Iraqis and threatened our efforts to create a secure and stable Iraq.

Planning For Post-Conflict Operations

Events following the March 2003 Iraq invasion accentuate the importance and necessity of planning for post-conflict stability operations. This period includes those activities following decisive combat operations to stabilize, secure, and reconstruct the area of operations.[12] Planning for operations in a post-conflict environment requires detailed and coordinated interagency planning. It is critical that this planning is done at the same time as planning for combat operations, since combat operations set the stage for stability operations. A U.S. Army War College Strategic Studies Institute panel met in October 2002 to examine how U.S. and coalition forces could best address the requirements and challenges in a post-Saddam Iraq. It concluded, "without an overwhelming effort to prepare for occupation, the United States may

find itself in a radically different world over the next few years, a world which the threat of Saddam Hussein seems like a pale shadow of new problems of America's own making."[13] Many of the challenges that U.S. and coalition forces are facing in Iraq today stem from the initial failures in planning and execution of post-conflict stability operations. Effective planning sets the conditions for a secure and stable operating environment and allows for essential reconstruction and economic recovery efforts that are critical to success.

When considering the importance of planning for post-conflict operations, leaders must only look back in history to glean the lessons of U.S. stability operations from past contingency operations and wars, especially as they apply to security, reconstruction, and economic recovery. During World War II, planning for postwar reconstruction of Germany and Japan started as early as 1942 and resulted in Operation ECLIPSE[14] in Germany and Operation BLACKLIST[15] in Japan. The U.S. recognized the need to plan early for the occupation of Germany and Japan, especially as it pertained to the surrendered armies and those government officials still loyal to the defeated regimes. These World War II examples illustrate successful stability operations in defeated countries that surrendered unconditionally. They provide valuable insights that could have been useful in developing the Iraqi de-Baathification policy and examining the feasibility of dissolving the Iraqi Army.

Leaders can discover more recent lessons from post-conflict operations in Panama and Haiti. The post-conflict phase of the Panama operation in 1989, Operation PROMOTE LIBERTY,[16] provides an example of the poor planning and difficulty U.S forces had in restoring law and after the elimination of the Panamanian Defense Force (PDF). The U.S. planned the stability operations phase separately from the armed intervention phase, Operation JUST CAUSE, and thus they did not mutually support one another. After the removal of the PDF, there was not another agency in Panama that could provide public security and other basic services.[17] Looting ensued and had a damaging effect on efforts to rejuvenate the slumping economy. Operation UPHOLD DEMOCRACY[18] in Haiti in 1994 provides a good example of effective interagency coordination and civil-military cooperation. Unfortunately, Haiti also provides a good example of what can happen when the redeployment of military forces is based on a timeline and not on the accomplishment of designated measures of effectiveness.[19] After the departure of U.S. troops, politically motivated violence continued, the Haitian National Police force struggled with trying to keep the peace, the economy suffered, and the newly elected president purged his own police force.[20] These examples from the past highlight some of the critical lessons that leaders should have considered in their Iraqi post-war planning.

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Many argue that post-conflict planning in Iraq did not have the same level of emphasis as the planning conducted for combat operations. Although U.S. Central Command (CENTCOM) planners conducted post-conflict planning, the key piece missing was interagency coordination. Well prior to the start of military operations, CENTCOM published a 300-page stability operations plan that focused on humanitarian assistance and stabilization and included the transition of authority to an appointed senior civilian administrator upon the completion of major combat operations. CENTCOM planners assumed that the State Department would take the lead for reconstruction and thus its plan did not include reconstruction activities. Additionally, at this point in the planning process, there was no decision on who the civilian administrator would be or what follow-on organization would take long-term control of stability operations from the military in Iraq.[21]

ORHA initially became that organization in January 2003. Garner spent his first six weeks in the Pentagon putting together his team and doing his initial planning for Phase IV operations. Recalling some of the events that happened during the first Gulf War, Garner focused his planning around four assumptions: first, Saddam would ignite the oil fields as he did in 1991; second, there would be large numbers of refugees and displaced people; third, there would be a food shortage, that if not addressed upfront, could lead to famine, since the United Nations ended its Oil for Food Program in January 2003; and fourth, there was a fear of mass health epidemics due to limited potable water and major sewage problems. As it turned out, the first three never happened and ORHA was able to provide potable water and hire Iraqis to pick up garbage thus avoiding any health epidemics.[22]

Initial Post-Conflict Stability Operations

The ORHA team, now about 300 people, deployed to Kuwait in mid March. In April, Garner met with some key Kurdish leaders to discuss forming an interim Iraqi government made up of Iraqis. The key reason was to show the Iraqi people an "Iraqi face" of leadership and to not portray U.S. and coalition forces as an occupying force. Garner and the newly formed 7-member Iraqi leadership team laid out a number of priorities to aid in bringing stability to Iraq. ORHA's planning strategy had at its core, establishing security, stimulating economic recovery, and initiating reconstruction activities. The plan entailed using the Iraqi Army and police force to work in conjunction with coalition forces to establish security, primarily in securing the porous borders and providing law and order among the local population. Additionally, it called for reestablishing the government ministries, paying salaries to all public servants, and hiring contractors and Iraqi workers to rebuild the infrastructure and restore basic services.[23]

The ORHA quickly turned its attention to the immediate reconstruction of the electric grids and the water purification and sewage systems. The first problem with trying to begin reconstruction efforts was that in recent past operations, such as Bosnia and Kosovo, the U.S. government has relied on contractors to perform reconstruction tasks, but there were no contractors in theater. The second and bigger problem was that money for reconstruction was not made available until after the war had already begun. It was not until mid April 2003 that Congress approved funding for operations in Iraq. In the bill, Congress provided $2.44 billion for the Iraqi Relief and Reconstruction Fund (IRRF) for humanitarian assistance in and around Iraq and for rehabilitation and reconstruction of Iraq.[24] With money finally available, ORHA was able to hire contactors, but not without significant delay and cost. Once hired, the contracting teams had to be formed, the workload identified, and the necessary country clearance requirements approved through CENTCOM before contractors could enter into theater. It was June, nearly three months after the invasion, before large numbers of contractors were able to enter into Iraq. Of course, the delay in starting reconstruction led to major Iraqi resentment toward the U.S. for not restoring basic services.

In an attempt to get the country functioning again, ORHA set out to re-establish the Iraq ministry structure. The ORHA plan called for bringing back all but three of the 23 ministries. The ministries not brought back, defense, propaganda, and intelligence, were those the U.S. believed were still loyal to Saddam and the Baath party.[25] The war spared all but two of the ministry buildings, but unfortunately, the widespread looting that occurred after the invasion destroyed 17 of the remaining 20 buildings. With no buildings to work in, few of the public servants returned to work.

While ORHA waited for emergency supplemental funding for reconstruction, President Bush released $1.6B in Iraqi vested funds.[26] Although the President released the money, Garner claimed to have tremendous difficulty with the President's budget office, the Office of Management and Budget (OMB), in getting approval to spend the money. Garner recalled having to enlist the assistance of the Department of Defense (DOD), claiming that operations would fail unless OMB released the money.[27] Garner's plan called for using these funds to pay the salaries of 2 million public servants, 300,000 Iraqi soldiers, and 12,000 police officers. With the Iraqi Army, ORHA and CENTCOM assumed that large numbers of Iraqi soldiers would surrender as it did during the first Gulf War. After dismissing the top tier of leadership, who presumably still remained loyal to Saddam, the military would immediately begin retraining the remainder of the army. Instead, the soldiers did not surrender; they took off their uniforms and faded into the civilian

population. It took ORHA about a month before large numbers of the army started to return. As ORHA begin retraining preparations, President Bush replaced Garner with Ambassador Bremer as the U.S. civilian leader in Iraq.

CPA became the successor organization to ORHA in early May 2003. Within a week, Ambassador Bremer made three critical decisions that were instrumental in fueling the insurgency that began to develop shortly after he took over. Bremer decided to implement a much broader government de-Baathification policy, to disband the Iraqi Army, and to dissolve the interim group of Iraqi government leaders that Garner put together.[28] Garner had executed a narrower de-Baathification policy, believing that too deep a cut would leave the government ministries without the required expertise. Bremer's policy removed the top 5 to 6 layers within each division of the entire Baath party, virtually leaving the remaining Iraqi government ineffective. The decision to disband the army was a bad decision with tragic consequences. Bremer released 300,000 soldiers back into the local population without jobs and with weapons. The final decision to dismiss the interim Iraqi government established by Garner removed the Iraqi face of leadership. This was a grave mistake because it now showed the Iraqi people a U.S. face of leadership and led them to view the U.S. as an occupying force.

Using Economic Means in a Post-Conflict Environment

The planning and initial execution of post-conflict operations in Iraq serves as an excellent case study for examining the degree of the planning and interagency coordination that must take place prior to and during initial post-conflict operations. Some of the key decisions made during the initial stages of post hostility operations have had a lasting negative impact and have continued to plague U.S. and coalition operations. Many of the critical priorities needed to "jump start" stability operations require a significant infusion of financial resources. The U.S.'s inability to make sufficient progress in restoring basic services and reinvigorating the Iraqi economy has caused the U.S. to lose momentum in Iraq. Could the U.S. have more effectively used its economic resources in planning and initial execution to achieve lasting effects? What lessons can the U.S. apply to future conflicts to prevent it from making similar mistakes?

Economic considerations weigh heavily in initial post-conflict operations planning and execution. Some key areas include planning, security, reconstruction, and economic recovery. The latter two are long-term in nature, but there are immediate steps that can be taken initially in order to achieve lasting success.

Planning

Successful military operations require integrated planning and coordination throughout the entire planning and execution process between the military and the interagency. The coordination between DOD and the State Department during the critical planning and initial execution stages was disjointed and the relationship discordant. Shortly after the attacks of 9/11, the State Department began a project called the "Future of Iraq" (FOI). The focus of this project was to address what the team believed Iraq would look like after the fall of Saddam Hussein. The team was made up of representatives from 17 federal agencies and a large group of Iraqi exiles. They outlined the need for Iraq to rapidly transition to self-governance and made many recommendations for dealing with security, heath issues, education, reconstruction, and the economy.[29] DOD, on the other hand, dismissed the work of the FOI group and believed that after a short transition period, an interim Iraqi government, led by Ahmad Chalabi,[30] would take over Iraq and serve as its transitional leader during Iraqi reconstruction. As mentioned previously, CENTCOM, during its contingency operation planning, was designing the military component of post-conflict operations, which omitted any planning for reconstruction activities. In essence, DOD and the State Department developed post-conflict plans, but did not coordinate their efforts. The work and efforts of the FOI project never gained leverage, as it ceased to function after President Bush assigned post-war responsibility to DOD in January 2003.[31] With the advent of combat operations only two months away, the necessary post-war planning and coordination critical to success between CENTCOM and ORHA was just entering into its early stages of development.

If future U.S. operations involve regime removal as a political objective, then the U.S. must understand the long-term commitment and be willing to support it, both militarily and economically. Deliberate planning that incorporates the use of economic resources among all the key interagencies is critical for success. Proper planning serves as the building block for the other three critical areas. Planning for operations in Iraq had significant interagency coordination shortfalls, but these shortfalls go beyond the interagency level – it includes the overall appropriation process. Congress annually appropriates funding for DOD and the other interagency organizations. This funding provides for normal peacetime operations for the military and day to day operations for the other interagency organizations. When contingency operations arise, they require congressionally approved emergency supplemental funding for their conduct. The initial timing of supplemental funding is critical to operations during both combat and post-combat in order to provide for the key resources needed to execute operations. Fortunately, the military has a robust annual budget and typically has the ability to

"cash flow" from its normal operating budget until Congress can approve supplemental funding. The interagency organizations, on the other hand, operate on a much smaller budget and do not have this ability. In this particular case, Congress did not approve the initial FY 2003 OIF supplemental until mid April, almost a month after the start of major combat operations. The supplemental timing delayed ORHA's ability to initiate reconstruction activities to restore basic services in Iraq at a time when Iraqi goodwill was at its highest.

According to the Congressional Budget Office, since September 2001, Congress has appropriated over $432B for military operations and other activities related to the Global War on Terror. Of this funding, approximately $290B has gone for operations in Iraq. This funding can be divided into three major categories: defense activities, support for indigenous security forces, and diplomatic operations and foreign aid.

Defense Activities	$254
Indigenous Security Forces	$ 14
Diplomatic Operations and Foreign Aid	$ 22
Total (Billions of Dollars)	$290

Table 1. Estimated Costs of Operations Iraq (2001 -2006)

Defense activities costs are those costs that support DOD, the intelligence community, and some Coast Guard activities. Indigenous security forces are those costs used to train and equip local military and police units in Iraq. Finally, the diplomatic operations and foreign aid costs are those used to cover activities for the Department of State and the U.S. Agency for International Development.[32]

Security

U.S. success in Iraqi stability operations centers on its ability to establish a secure and stable environment.   This by far has been the toughest challenge in Iraq. The inability of the U.S. and coalition forces to reestablish security has not only led to the large-scale insurgency in Iraq, but has also completely eroded the goodwill of the Iraqi people that we once enjoyed. ORHA's initial plan called for using $1.6B in Iraqi vested assets to bring back immediately about 300,000 soldiers of the Iraqi Army, 12,000 police officers, and 2 million public servants. CENTCOM's plan also called for using the Iraqi Army. According to former CENTCOM Commander, General Tommy Franks,

> "our planning assumption was that we would guide the interim government in
> building a military and paramilitary security force drawn from the better units of

the defeated regular army. These units would serve side by side with coalition forces to restore order…."[33]

The Bremer decision to disband the army, has not only inhibited the U.S.'s ability to secure the country, but has also crippled its ability to reinvigorate the Iraq economy. Many of these soldiers decided to put their arms to use on the side of the insurgency. This growing insurgency as well as the high levels of street crime has impeded economic recovery and reconstruction efforts. With an unemployment rate of between 25 and 30 percent,[34] the level of frustration among the Iraqi people has given the insurgent groups a large pool of disillusioned Iraqis from which to draw.

What has it cost the U.S. by disbanding the army? The U.S. has appropriated about $14B to support recruitment, training, and equipping of the new Iraqi security forces. In addition, the U.S. continues to bear a heavy economic burden associated with maintaining a significant military presence while training of these security forces. These costs are high when one considers the $1.6B cost Garner estimated to initially bring back and retrain the original army, police, and civil servants, but they pale in comparison to the overall costs of the deteriorating security situation and the loss of life in Iraq. The delay in having to rebuild an Iraqi Army from scratch has caused the U.S. to lose a large population of former Iraqi soldiers and frustrated Iraqi civilians that are now supporting the various resistance groups and fueling the ongoing insurgency. In addition, the task of rebuilding an Iraqi police force that is credible in the eyes of the Iraqi people and devoted to making the country better has proven to be a difficult undertaking. Insurgents and militia members have infiltrated the police ranks. This has resulted in political assassinations, corruption, fraud, and human rights abuses and a high level of distrust of the police force among the Iraqi people and coalition forces.[35]

Reconstruction

The U.S. government's success in any post-conflict rebuilding effort depends largely on its ability to deploy effectively and rapidly its means of humanitarian relief and reconstruction.[36] In May 2003, the U.S. kicked off the largest nation-building effort since the Marshall Plan.[37] Funding for reconstruction efforts came from the U.S. and other world nations that pledge their support to rebuild Iraq. In 2003, the World Bank and the UN estimated that Iraq would need about $50B to cover initial reconstruction costs through the end of fiscal year 2007. The initial reconstruction efforts would focus on restoring basic services to the Iraqi people, providing humanitarian assistance, and repairing the Iraqi oil fields. Repairing the oil fields was critical to the future success of a self-sustaining Iraqi government and prospering economy. Although the

initial plan for reconstruction appeared feasible on the surface, several complicating factors either delayed or impeded reconstruction efforts. They included lack of security, a more severely degraded condition of the Iraq infrastructure than initially believed, coupled with reconstruction costs exceeding original estimates, and U.S. contracting rules.

As reconstruction efforts commenced, the unstable security environment increased the cost of reconstruction and affected project scheduling. This led to significant project delays and increased security costs.[38] As a result of the violence, much of the remaining infrastructure, as well as many of the completed reconstruction projects, have either been destroyed or damaged due to sabotage, theft, or vandalism. Continued attacks on the Iraq Infrastructure and reconstruction projects have a rippling effect on operations in Iraq. First, they hinder the larger, security, political, and economic goals in Iraq by undermining the Iraqi government's attempt to meet the needs of its people thus damaging its credibility. Second, the security challenges significantly impact the cost of U.S. reconstruction efforts. According to the Iraq Reconstruction Management Office,[39] security costs represent 16 to 22 percent of the overall cost of major infrastructure reconstruction projects in Iraq.[40] This has delayed projects and extended the time to complete projects.

As mentioned earlier, the World Bank, the UN, and CPA initially estimated that it would cost about $50B over a 4-year period to repair key Iraq infrastructure (electricity, water and sanitation, transportation, and oil industry) to a pre-1991 Gulf War state. With the U.S. providing a large share of this amount, Congress created the Office of the Special Inspector General for Iraq Reconstruction (SIGIR) to provide oversight of the Iraq Relief and Reconstruction Fund (IRRF) and all obligations, expenditures, and revenues associated with reconstruction and rehabilitation activities in Iraq. According to a 2005 SIGIR report, it is now believed that the costs will be at least $60B. Additionally, a SIGIR survey of about 100 reconstruction projects revealed that actual costs exceeded initial estimates by as much as 20 to 85 percent.[41] Much of this additional cost stems from the poor security situation, but part of it also stems from Iraq's infrastructure and economy being more severely degraded as a result of more than a decade of sanctions than had been originally anticipated. The U.S. and other countries specifically pledged about $32B to support rebuilding efforts in Iraq. Already faced with an $18B gap in needed funding, the gap has now grown to $28B. The U.S. believed that with Iraq's massive oil deposits it would largely finance its own reconstruction above the amounts pledged. Unfortunately, with the conditions of Iraq's oil production infrastructure and the continued attacks against U.S. and Iraqi efforts to repair the facilities, Iraq has not been able to realize its oil exporting capacity to effectively support reconstruction efforts. Before the war, Iraq's oil

production average 2.6 million barrels per day (mbpd). Since the war, Iraq has not managed to produce 2.0 mbpd. This is well below pre-war levels and significantly less than the U.S. export capacity goal of 3.0 mbpd.[42]

Although the security situation hindered large scale contracting efforts, one of the most successful reconstruction programs used throughout Iraq was the Commander's Emergency Response Program (CERP). The Coalition Joint Task Force-Seven, the initial senior military headquarters in Iraq, established CERP in June 2003 to give U.S. military commanders in Iraq the ability to respond to urgent humanitarian relief and reconstruction requirements by executing programs that would immediately assist the Iraqi people and support reconstruction efforts in Iraq. The program is intended to serve as a tool to help commanders build goodwill among the Iraqi people within their area of operations. Initial funding for CERP came from confiscated money that was recovered by U.S. and coalition forces during operations throughout Iraq. The funds were used to complete projects to improve water and sanitation infrastructure, food production and distribution, healthcare, education, telecommunications, and transportation, and initiatives, which further restored the rule of law and governance. From the period June to October 2003, more than 11,000 projects costing $78M were finished. Most of the goods and services used in the projects were procured from local sources and completed using Iraqi laborers. [43] The tremendous success of the program attracted much attention for its positive impact on the Iraqi people and the local economy. Because of its success, as available funding ran low, Congress appropriated additional supplemental funding to keep the program functioning and expanded the program to include Afghanistan. Congress continues to approve supplemental funding for the CERP program and it remains an integral part of the military's reconstruction efforts.

Since the initial emergency supplemental funding for operations in Iraq, Congress has passed three additional supplemental bills totaling over $22B for reconstruction efforts. The tone for the contracting strategy in Iraq was set early as the Bush Administration decided in a memo signed by then Deputy Secretary of Defense Paul Wolfowitz. The directive banned those countries that opposed the U.S.-led invasion from bidding on reconstruction contracts in Iraq. Only U.S. or other direct members of the coalition could compete for the major contracts in Iraq. In reality, this meant that mainly U.S. and British firms would have the right to bid on contracts. This led to outrage among countries such as France, Russia, Germany, and Canada that vehemently opposed the war. This policy was strategically counterproductive because the U.S. was relying on these countries to restructure large outstanding debts owed by Iraq. Eventually,

the President softened his position by stating that this directive only applied to funds pledged by the U.S and not the additional $13B pledged by other countries.[44]

The Iraq contracting strategy initially focused on oil production facilities, water and sewage treatment plants, and electricity generation facilities. Contracting efforts involved various agencies within the U.S. government such as the State Department, United States Agency for International Development, and the U.S. Army Corps of Engineers. With the same goals in mind to help rebuild the Iraqi infrastructure, they applied different approaches to similar contracting and procurement requirements that often resulted in a fragmented contracting strategy.

The combination of large reconstruction projects, major U.S. funding infusions, and inadequate government controls created an atmosphere conducive to corrupt practices among some U.S. firms and Iraqi government officials.[45] The lack of management oversight of the contracting process in Iraq is now the subject of multiple audits and investigations by SIGIR and the U.S. Government Accountability Office and has resulted in a number of congressional hearings.[46]

Economic Recovery

The U.S. economic strategy going into Iraq was to reinvigorate the economy in order to create an enduring, self-sustaining economy for the Iraqi people. President Bush presented the U.S. goals for the Iraqi economy in his National Strategy for Victory in Iraq.[47] The Iraqi economy had been ravaged by decades of mismanagement, war, sanctions, and more recently widespread looting following the removal of Saddam Hussein and his Baathist Regime. Iraq's economy suffered from a long legacy of state control and ownership, restrictions on its commercial activities, and heavy government regulation. The economic environment in Iraq inhibited foreign and domestic investment and destroyed a large part of the country's business potential. Only those privileged individuals with ties to those in power benefited from private commercial activities and the lucrative state procurement contracts.

The U.S. experienced both successes and failures in its Iraqi economic revitalization program during the period in which CPA served as its interim government. On the positive side, the U.S. re-established nationwide food ration distribution, introduced a new currency and stabilized the exchange rate, liberalized the prices of most goods and services without igniting inflation, rebuilt the government's economic ministries, and promulgated market-oriented banking, taxation, foreign trade, investment, and business regulations   On the negative side, the U.S. was unable to prevent the widespread looting of key infrastructure and production

facilities, fulfill its promise of substantial job creation, attract foreign investment, meet targets for electricity production, restore oil production to prewar levels, and restructure Iraqi state-owned industries.[48] The inability of the U.S. to provide a stable environment was the biggest factor in these failures.

Two of the most critical decisions to affect the economic climate in Iraq were the U.S. policy to use primarily U.S. and British contractors for reconstruction efforts and the U.S. economic privatization strategy that in essence prevented Iraqi state-owned companies from competing for contracts. The combined effect of these decisions had a devastating impact on Iraqi morale, fueled great resentment toward U.S. forces and Western contractors, and contributed significantly to the escalating violence. Many of the state-owned companies that the U.S. barred from rebuilding Iraq were the same companies that helped rebuild the country after the first Gulf War.[49] The upshot of these decisions was a continued exacerbation of Iraqi unemployment levels, which had already doubled from 30 percent to 60 percent after the disbanding of the army and the de-Baathification campaign.[50]

Conditions in Iraq (December 2006)

As the U.S. enters its 4th year of stability operations in Iraq, it is still unclear if the U.S. will succeed in accomplishing its goals of stabilizing Iraq, establishing a self-sustaining democratic government, and rebuilding the Iraqi infrastructure. According to the recently released Iraq Study Group Report, "the situation in Iraq is grave and deteriorating."[51] Attacks against U.S., coalition and Iraqi security forces are increasing in number, scope, complexity, and lethality. Sectarian violence has become the biggest challenge to stability efforts. The violence stems from the Sunni Arab insurgency, al Qaeda and affiliated jihadist groups, and Shiite militia and death squads. It has resulted in an average of 3,000 Iraqi civilians killed every month.[52]

U.S. and coalition troop levels in Iraq are currently at 167,000. Their focus is no longer on large-scale combat operations, but on counterinsurgency operations. This new strategy revolves around what has become known as the "clear, hold, and build" strategy – "clearing" areas of insurgents and death squads, "holding" those areas with Iraqi security forces, and "building" areas with quick-impact reconstruction projects. Along with this strategy, the U.S. is training and equipping an Iraqi army of 138,000 and a police force of 188,000.[53] Despite U.S. efforts, challenges remain regarding loyalty to the new government and the lack of leadership, training, and equipment. These issues will take time to work through as a large majority of Americans are demanding that U.S. troops come home.

<u>Future Stability Operations</u>

Future U.S. stability operations must include effective planning and coordination between the military and the interagency throughout all phases of operations in order to set the conditions for successful reconstruction and economic recovery operations. In late 2005, National Security Presidential Directive 44 (Management of Interagency Efforts Concerning Reconstruction and Stabilization) along with DOD Directive 3000.5 (Military Support for Stability, Security, Transition, and Reconstruction Operations) established stability operations as a core mission that the U.S. military must be prepared to conduct and support. The ongoing efforts in OIF serve as an excellent case study for DOD as it looks to restructure, resource, and develop more robust stability operations capabilities. OIF provides critical lessons that the military must incorporate into future stability planning and execution in order to avoid the mistakes made during OIF.

Planning

At the geographical combatant commander level, planning for phased military operations must incorporate the interagency. U.S. civilian agencies are more capable than the military to perform many of the required tasks involving reconstruction and economic recovery operations. Military operations require close connection with these agencies to improve planning, coordination, and execution throughout all phases of military operations, especially stability operations. This planning must occur simultaneously and in conjunction with military planning to ensure that all operations are properly synchronized in order to better integrate all elements of national power. One key to successful integrated planning is to embed members of the interagency community within the combatant command staff through the use of a Joint Interagency Coordination Group (JIACG). The JIACG provides the combatant commander with an additional staff capability specifically organized to enhance situational awareness of the civilian agencies' capabilities and limitations, to facilitate information sharing, and to coordinate action across the interagency community.

Security

Establishing a secure and stable environment is paramount if stability operations are going to achieve the desired results of restoring basic services, providing humanitarian assistance, and conducting reconstruction activities. OIF provides a clear example that without security, most reconstruction and economic recovery efforts are likely to fail. If regime removal is going to be an ongoing U.S. policy, then security must be achieved. This ties directly into planning for the right size force needed to quickly reestablish and maintain security.

Additionally, the U.S. must have an effective transition plan to transfer control over to the new government so as not lose goodwill and avoid being viewed as an occupying force by the local population. Only through a stable environment can the U.S. achieve success in its stability operations.

Reconstruction

When the U.S. removed the regime of Saddam Hussein, they won the hearts and minds of the Iraqi people. This goodwill quickly evaporated because the Iraqi people did not perceive that their lives were better off than they were under Saddam. Many of the essential basic services were slow to return and at levels well below those before the war. For stability operations to be successful, reconstruction efforts must be carefully planned out and executed. Often combat and stability operations run concurrently and thus the military must be prepared to quickly respond to urgent humanitarian relief and reconstruction requirements. Through the execution of small scale programs and projects, the military can immediately assist the local population until major humanitarian and reconstruction efforts can begin. Additionally, where the capability exists, to the maximum extent possible the local population must be given the opportunity to bid for and participate in their own reconstruction efforts. With billions of dollars involved with reconstruction, it is imperative that the required amount of contracting and procurement personnel be on hand with the requisite expertise during the planning and execution stages, proper controls exist to safeguard against fraud and corruption, and fair contracting rules and methods used to allow for open competition and transparency of contracting actions.

Economic Recovery

Along with reconstruction, stability operations typically involve stimulating economic recovery. Years of economic sanctions followed by looting after the fall of Saddam caused the fragile Iraqi economy to crumple. One of the critical facilitators to economic recovery is getting the local population back to work. The reestablishment of the governance system and long-term reconstruction efforts provides tremendous opportunity to both the local professional and "blue collar" work force. The rehabilitation of the healthcare and education systems is also critical to the long-term health of the economy. Finally, taking measures to stabilize the currency, restore government economic functions, attract foreign investment, and implement sound economic policies will further enhance a self-sustaining economic recovery.

After the last U.S. troop has left Iraq, what will the history books say about OIF? Hopefully, history will state that the first three phases of the war were executed near flawlessly,

but Phase IV presented significant challenges in trying to make Iraq a stable and secure democratic society. The 21st century contemporary operating environment is different than any the world has ever known and will be filled with many challenges. In order to be successful, the U.S. military must be well rooted in the art of warfighting, but more importantly in the "non-kinetic" skills needed to influence outcomes, shape culture, and engender cooperation, especially as it pertains to stability operations. OIF has not only proven to the military, but also to the interagency community the importance of working together in order to accomplish U.S. objectives and achieve lasting results.

<u>Endnotes</u>

[1] Lawrence A. Yates, "The U.S. Military's Experience in Stability Operations, 1789-2005," available from http://www-cgsc.army.mil/carl/download/csipubs/yates.pdf; Internet; accessed 10 November 2006.

[2] Phil Kearley, "*Stability Operations Concepts and Capabilities Emerging From JFCOM/Joint Experimentation,"* available from http://www.act.nato.int/organization/ transformation/cde04presentations/4novstabilityopsbo/kearly.pdf; Internet; assessed 4 December 2006.

[3] Afghanistan, Albania, Angola, Australia, Azerbaijan, Bulgaria, Colombia, Costa Rica, the Czech Republic, Denmark, Dominican Republic, El Salvador, Eritrea, Estonia, Ethiopia, Georgia, Honduras, Hungary, Iceland, Italy, Japan, Kuwait, Latvia, Lithuania, Macedonia, Marshall Islands, Micronesia, Mongolia, the Netherlands, Nicaragua, Palau, Panama, the Philippines, Poland, Portugal, Romania, Rwanda, Singapore, Slovakia, Solomon Islands, South Korea, Spain, Tonga, Turkey, Uganda, Ukraine, United Kingdom, United States, and Uzbekistan; available from http://www.whitehouse.gov/news/releases/2003/03/20030327-10.html; Internet; accessed 18 October 2006.

[4] President George W. Bush, remarks by the President, 1 May 2003; available from http://www.whitehouse.gov/news/releases/2003/05/20030501-15.html; Internet; accessed 18 October 2006.

[5] Lloyd J. Matthews, *Winning the War By Winning the Peace: Strategy for Conflict and Post-Conflict in the 21st Century*, U.S. Army War College, Carlisle Barracks, PA, 2004, 5.

[6] *"Pre-war Planning for Post-War Iraq"*, linked from the Air University Home Page at "Lessons Learned," available from http://www.au.af.mil/au/awc/awcgate/dod/postwar_iraq.htm; Internet; accessed 5 November 2006.

[7] Brian DeToy, ed., *Turning Victory Into Success: Military Operations After the Campaign* (Fort Leavenworth, KS: Combat Studies Institute Press, 2004), 253. The effects of more than a decade of economic sanctions had taken a significant toll on the Iraqi infrastructure. For instance, prior to the war, the electric grids were only capable of producing 50 percent of Iraq's electricity requirements; the country could only produce 60 percent of the potable water needed,

and many parts of the country had to use water that was contaminated with tremendous amounts of sewage for drinking, cooking, and washing.

[8] Matthews, *Winning the War By Winning the Peace: Strategy for Conflict and Post-Conflict in the 21st Century*, 5.

[9] Davis L. Phillips, *Losing Iraq: Inside the Postwar Reconstruction Fiasco* (Westview Press, 2005), 134.

[10] Coalition Provisional Authority-Iraq Coalition Home Page; available from http://www.cpa-iraq.org/bremerbio.html; Internet; accessed 5 November 2006. CPA was a more robust organization than ORHA. It was charged with protecting the territorial integrity of Iraq, providing security for the Iraqi people, and managing all aspects of Iraqi reconstruction efforts.

[11] Nir Rosen, "Turning against the "Liberators," available from http://dir.salon.com/story/news/feature/2003/07/09/ occupation/index.html; Internet; accessed 5 November 2006.

[12] Conrad C. Crane, "Where Wars Are Really Won," *Military Review* (May-June 2005).

[13] Conrad C. Crane and W. Andrew Terrill, *Reconstructing Iraq: Insights, Challenges, and Missions for Military Forces in a Post-Conflict Scenario,* U.S. Army War College, Carlisle Barracks, PA, 2003.

[14] Operation ECLIPSE was the operational plan for the occupation, stabilization, and reconstruction of Germany following World War II.

[15] Operation BLACKLIST was the operational plan to occupy Japan and Korea after surrender or collapse of the Japanese Government and Imperial High Command following World War II.

[16] Operation PROMOTE LIBERTY was the operational plan to help restore and maintain law and order in support of the Panamanian people and their duty-elected government.

[17] Major William J. Conley Jr., United States Marine Corps, "Operations 'Just Cause' and 'Promote Liberty': The Implications of Military Operations Other Than War," available from http://www.smallwarsjournal.com/documents/conley.pdf; Internet; accessed 22 December 2006.

[18] Operation UPHOLD DEMOCRACY was the operational plan to restore democracy in Haiti. It was originally planned as a forced invasion but it became a permissive entry operation after military coup led by Lieutenant General Raoul Cedras ceded power back to the deposed Haitian President, Jean Bertrand Aristide

[19] Crane and Terrill, *Reconstructing Iraq: Insights, Challenges, and Missions for Military Forces in a Post-Conflict Scenario*, 2-18.

[20] Dr. Robert Baumann and Dr. John Fishel, "Operation Uphold Democracy: The Execution Phase," available at http://www-cgsc.army.mil/carl/resources/csi/kretchik /chapter3.asp; Internet; accessed 22 December 2006.

[21] Kate Phillips, Shane Lauth, and Erin Schenck, "U.S. Military Operations in Iraq: Planning Combat, and Occupation;" available at http://www.strategicstudiesinstitute.army.mil /pdffiles/PUB653.pdf; Internet; accessed 8 November 2006.

[22] DeToy, *Turning Victory Into Success: Military Operations After the Campaign*, 257.

[23] Ibid., 255. (DeToy)

[24] Congressional Research Service, "Supplemental Appropriations FY2003: Iraq Conflict, Afghanistan, Global War on Terrorism, and Homeland Security," available at http://www.fas.org /asmp/resources /govern/crs-rl31829.pdf; Internet; accessed 11 November 2006. Congress approved a $78.49B FY 2003 Emergency Supplemental for operations in support of the Global War of Terrorism (GWOT), to include Iraq and Afghanistan, and Homeland Security.

[25] The Baath party was founded in 1947 as a radical, secular Arab nationalist political party. It functioned as a pan-Arab party with branches in different Arab countries, but was strongest in Syria and Iraq. After the *de facto* deposition of President Saddam Hussein's Baathist regime in the course of the 2003 Iraq war, the occupying authorities banned the Iraqi Baath Party in June 2003.

[26] Iraqi vested assets were those assets frozen by Presidential Executive Order during the first Gulf war and vested with the U.S. Department of Treasury for return to Iraq.

[27] DeToy, *Turning Victory Into Success: Military Operations After the Campaign*, 261.

[28] Ibid., 265. (DeToy)

[29] Phillips, *Losing Iraq: Inside the Postwar Reconstruction Fiasco*, 7, 37.

[30] Ahmed Chalabi was part of a three-man executive council for the umbrella Iraqi opposition group, the Iraqi National Congress (INC), created in 1992 for the purpose of fomenting the overthrow of Iraqi president Saddam Hussein. He enjoyed considerable support among U.S. politicians, who held him up as a notable force for democracy in Iraq.

[31] Phillips, *Losing Iraq: Inside the Postwar Reconstruction Fiasco*, 8,

[32] U.S. Congressional Budget Office, "Estimated Costs of U.S. Operations in Iraq Under Two Specified Scenarios," available at http://www.cbo.gov/ftpdocs/73xx/doc7393/07-13-IraqCost_Letter.pdf; Internet; accessed 13 November 2006.

[33] Tommy Franks, *American Soldier* (HarperCollins, 2004), 419. The army would be used to protect the borders, provide security over unguarded weapons caches, and guard key Iraqi infrastructure, such as oil production facilities, electricity grids, and water treatment facilities. The police force would be used to provide civil order within the major cities.

[34] The World Fact Book, *Iraq;* available from https://www.cia.gov/cia/publications/ factbook/geos/iz.html; Internet; accessed 13 November 2006.

[35] Spencer Ante, "A Hole in Bush's Iraq Exit Strategy," *Businessweek Online,* 19 April 2005; available from http://www.businessweek.com/bwdaily/dnflash/apr2005/nf20050418 _5596.htm; Internet; accessed 30 December 2006.

[36] Special Inspector General for Iraq Reconstruction, "Iraq Reconstruction Lessons in Contracting and Procurement," available from http://www.sigir.mil/reports/ pdf/Lessons_Learned_July21.pdf; Internet; accessed 6 December 2006.

[37] T. Christian Miller, "Losing the War to Rebuild Iraq," *Los Angeles Times,* 10 August 2006, available from http://proquest.umi.com/pqdweb?index=1&did=1091896171&SrchMode =1&sid=1&Fmt=3&VInst=PROD&VType=PQD&RQT=309&VName=PQD&TS=1167495140&clie ntId=20167; Internet; accessed 30 December 2006.

[38] United States Government Accountability Office, *"Rebuilding Iraq: Stabilization, Reconstruction, and Financing Challenges,"* available from http://lugar.senate.gov/iraq/ pdf/8_Christoff_SFRC_Testimony.pdf; Internet; accessed 26 November 2006.

[39] The Iraq Reconstruction Management Office was established by Presidential Directive to coordinate the U.S. reconstruction program in Iraq between the Iraqi government and U.S. government agencies.

[40] United States Government Accountability Office, *"Rebuilding Iraq: Stabilization, Reconstruction, and Financing Challenges,"* 9.

[41] Kosiak, "Iraq Reconstruction: Without Additional Funding, Progress Likely To Fall Short, Undermining War Effort," 3.

[42] United States Government Accountability Office, *"Rebuilding Iraq: Governance, Security, Reconstruction, and Financing Challenges,"* available from http://www.gao.gov/ new.items/d06697t.pdf; Internet; assessed 2 December 2006.

[43] Mark S. Martins, *"the Commander's Emergency Response Program,"* available from http://www.dtic.mil/doctrine/jel/jfq_pubs/0937.pdf; Internet; assessed 2 December 2006.

[44] Sebastian Rotella and Paul Richter, "U.S. Bid Policy Elicits Outrage," *Los Angeles Times,* 11 December 2003.

[45] Anne Ellen Henderson, *"The Coalition Provisional Authority's Experience with Economic Reconstruction in Iraq,"* U.S. Institute of Peace, Special Report 138 (April 2005), 16.

[46] Special Inspector General for Iraq Reconstruction, *"Iraq Reconstruction Lessons in Contracting and Procurement,"* 94-95.

[47] George W. Bush, "*National Strategy for Victory in Iraq,*" (Washington, DC: The White House, November 2005, 2. The strategy is based on three key tenets: to restore Iraq's infrastructure to meet increasing demand and the needs of a growing economy; to reform Iraq's economy, which in the past has been shaped by war, dictatorship, and sanctions, so that it can be self-sustaining in the future; and to build the capacity of Iraqi institutions to maintain infrastructure, rejoin the international economic community, and improve the general welfare of all Iraqis.

[48] Henderson, *"The Coalition Provisional Authority's Experience with Economic Reconstruction in Iraq,"* 4.

[49] Chris Shumway, "U.S. Blames Own Contracting Rules for Iraq Reconstruction Failures," *The New Standard,* 15 April 2005*.*

[50] Phyllis Bennis, *"A Failed Transition: The Mounting Costs of the Iraq War,"* The Institute for Policy Studies and Foreign Policy in Focus (September 2004); available from http://www.ips-dc.org/iraq/failedtransition/A_Failed_Transition-webver.pdf; Internet; accessed 7 December 2006.

[51] Baker-Hamilton Commission, *"The Iraq Study Group Report,"* December 2006.

[52] Ibid., 10. (Baker-Hamilton Commission)

[53] Ibid., 11. (Baker-Hamilton Commission)